

# [ **PRESIDENTIAL DECREE NO. 1846, June 26, 1982** ]

## **FURTHER REVISING THE CHARTER OF THE NATIONAL DEVELOPMENT COMPANY**

**WHEREAS**, the National Development Company, a major corporate vehicle of the National Government, was created to pursue commercial, industrial, agricultural and mining ventures necessary to give impetus to national economic development;

**WHEREAS**, the National Development Company is authorized by its Revised Charter to contract loans and other obligations and to guarantee domestic and foreign loans and other indebtedness;

**WHEREAS**, there is an immediate and compelling need to extend the guarantee of the National Government to secure obligations incurred by the National Development Company in pursuit of its objectives;

**NOW, THEREFORE, I, FERDINAND E. MARCOS**, President of the Philippines, by virtue of the power vested in me by the Constitution, do hereby order and decree as part of the law of the land, the following:

**SECTION 1.** Section 12 of Presidential Decree No. 1648, as amended by Presidential Decree No. 1787, is hereby amended to read as follows:

**"SEC. 12.** *Foreign Loans; Republic Guarantee.*—

- a. The Company is hereby authorized to contract loans; credits, and other indebtedness from time to time, in any convertible foreign currency or capital goods, from foreign governments, or any international financial institutions or fund sources or any other entities, on such terms and conditions it shall deem appropriate for the accomplishment of its purposes and to enter into and execute agreements and other documents specifying such terms and conditions. The loans, credits and indebtedness contracted by the Company under this paragraph (a) and all payments, whether of principal, interest, other charges or otherwise, due in connection therewith, shall be exempt from all direct and indirect taxes, including withholding taxes on payments of interest, and from all fees, imposts, other charges and restrictions presently imposed or to be imposed by the Republic of the Philippines or any of its agencies and political subdivisions.
- b. The payment of all loans, credits and other indebtedness contracted by the Company pursuant to the preceding paragraph (a) shall be and are hereby fully and unconditionally guaranteed by the Republic of the Philippines. The obligations of the Republic of the Philippines as guarantor hereunder shall be absolute and unconditional, and shall not be contingent or conditioned upon the pursuit of any right or remedy against the Company or its assets or against any other person or against any collateral security for or other guarantee of the obligations of the Company. With respect to such obligations, the Republic of the Philippines hereby waives for itself and its property immunity from suit, jurisdiction of any court, legal proceedings, attachment prior to judgment, attachment in aid of execution, other attachment and execution of judgment, on the ground of sovereignty. The Minister of finance is hereby directed and